Testimony: Watersheds United Vermont to Senate Committee on Natural Resources and Energy Committee Lyn Munno, Director, Watersheds United Vermont February 13, 2019

Thank you Senator Bray and the Senate Committee on Natural Resources and Energy for giving Watersheds United Vermont (WUV) an opportunity to speak again to this committee – this time addressing draft legislation by ANR for a funding distribution model. My name is Lyn Munno and I am the Director of WUV.

WUV is an association of community-based watershed groups with a mission to empower watershed groups in all parts of the state to protect and restore Vermont's waters. WUV supports watershed groups by providing information, training and resources, connecting groups to each other and to partner organizations and acting as a representative and a voice for watershed groups at the state level.

As Mary and Corrie have just expressed, watershed groups are well connected in their communities and work with landowners, municipalities and partner organizations to implement projects to improve water quality, address flood resilience and protect and restore important habitat. These groups work on a suite of activities to best protect and restore our rivers, streams, ponds and lakes. These strategies include stormwater management, riparian buffer planting, water quality monitoring, dam removal and culvert replacement projects, river cleanups, education and outreach and participating in municipal, regional and state planning efforts including Tactical Basin Planning. These groups are important project managers for state priority projects.

We want to thank the SNRE Committee and the Legislature for your commitment clean water. The passage of Act 64 goes a long way towards establishing our goals as a state to protection and restoration of Vermont's rivers, streams, lakes and ponds. We know the Legislature has been working to establish sufficient funds to achieve the goals of the Vermont Clean Water Act. Not only are state dollars through the Clean Water Initiative Program critical for groups to conduct on the ground projects, but watershed groups also utilize these funds to leverage significant private dollars from businesses, foundations and individuals as well as federal dollars to accomplish this work.

I was really pleased to see S96 introduced yesterday to establish stable long-term funding for clean water and a commitment to support clean water work at the watershed level. Projects and programs cannot happen without a commitment of state dollars and we want to emphasize the importance of moving a funding bill forward this legislative session. Groups developing and implementing projects need to know in advance what funds are available. As I mentioned in my testimony last time — it takes time to develop and scope priority projects, to conduct education in communities and outreach to specific landowners, to design different stages of projects, to implement projects on the ground, and to monitor and maintain projects

in the future. These projects are not possible without a commitment of state funds and a consistency of state funding programs.

Feedback on ANR funding Distribution Proposal

We appreciate that one of the intentions of the ANR proposal is to better develop measures and priorities for meeting nutrient and pollutant reduction goals and we all share that interest. We support efforts for establishing measurable targets (acknowledging that they are models) for nutrient and pollution reduction in addition to other natural resource protection goals. We believe better investment in this research and modeling and strengthening our tactical basin planning further will allow us to better develop priority projects. This includes a better understanding for all groups on the impacts of different Best Management Practices for achieving nutrient and pollutant reduction goals. And we support an effort to work collaboratively across DEC and partners to ensure that we have capacity to develop and implement these priority projects. Having said this, we would caution any proposal that ties all funding to direct reduction outcomes. For example, project development can be time-intensive and hard to measure, which makes linking funding to outcomes a challenge. But without project development, priority projects will never get to design and implementation stages.

We believe strongly that we need to invest clean water funds for all of Vermont's waters, which is clearly stated in act 64. We also feel strongly that we need to meet all water quality goals (not just limited to Phosphorus reduction) - also clearly stated in act 64. The current ANR proposal walks back these important commitments. While we understand the need for focusing on achieving the Phosphorus TMDL for Lake Champlain and Lake Memphremagog, we do not believe this should be at the exclusion of these other goals or the rest of the state. While we understand that the intention of the ANR proposal is to eventually develop funding guidelines to meet targets for other impaired water, we think delaying efforts until these targets are developed seriously risks further impairment of these waters. We believe it would be a missed opportunity for protection and restoration work now that may lead to more expensive fixes down the line and, more importantly, a degradation of our valued waters. In addition, we all know watersheds are complex and we need to be looking at all of the needs simultaneously when evaluating potential projects and weighing all co-benefits in project selection. There is risk to focusing on one target while ignoring potential risks of others.

In order to meet Water Quality Standards and meet anti-degradation requirements, the state must protect waters that are not yet impaired instead of only spending funds once waters have a TMDL. And even in impaired areas, if we are only giving credit for reductions in phosphorus and not preventing increased phosphorus, we will always be working on expensive fixes. Natural resources protection is a cost-effective way to maintain and improve water quality rather than only focusing on restoration after areas are degraded. For example, river corridor easements are an important tool for preventing future nutrient and sediment inputs as well as protecting riparian and aquatic habitat. Yet, this protection prevents future and would not "count" as credit for nutrient reduction.

We believe that a statewide funding structure that supports regional collaboration and community-based capacity would be far more efficient and effective compared with the currently proposed ANR regional distribution proposal. We appreciate that the ANR proposal recognizes that there is value to regional efforts, but we want to make sure that any proposal supports collaboration and draws on the strengths of the experienced partners in a given watershed. Watersheds cross municipal and regional boundaries and there are multiple groups working with different sectors or in different areas of a watershed. It is key that any proposal strengthen regional collaboration, encourage watershed thinking and align with tactical basin plans. We have concerns that a utility designed to raise funds, prioritize projects, and distribute those funds raises potential conflict of interest. Any model should engage and support all key partners in prioritization, development and implementation of projects.

DEC staff are key partners to support the development and implementation of clean water projects. Watershed groups work closely with DEC technical and grants staff. I had mentioned in my last testimony that the we believe that DEC is understaffed both in their tactical basin planning and their grants administration and that these delays are challenging for groups' ability to develop design and implement projects efficiently and effectively. We believe a more fully staffed DEC tactical basin planning and grants program would go a long way to improving efficiency and getting our projects completed on the ground.

Tactical Basin Planning is a key tool for meeting the obligations under the TMDL and the Vermont Clean Water Act. We commend DEC for their efforts on tactical basin planning and recognize that we need to strengthen these plans further to identify, prioritize, develop and implement projects. Watershed groups are important partners for developing and implementing Tactical Basin Plans. Watershed groups work directly with Conservation Districts and Regional Planning Commissions and are often a primary implementer of Tactical Basin Plans. As the structure currently stands, Conservation Districts and Regional Planning Commissions receive funding to develop and implement Tactical Basin Plans and often rely heavily on the input and actions of watershed groups. We have seen the benefits in watersheds where there is a robust watershed group; Tactical Basin Plans are stronger with their input in development and engagement in meeting goals. There has been discussion at the Clean Water Board to designate Tactical Basin Planning Funds to watershed groups and I would encourage the Legislature to ensure funding for watershed groups efforts in Tactical Basin Planning and to encourage and investment in local capacity.

Most importantly we want to strongly encourage this committee to establish long-term stable funding for clean water this session. We understand that it is complex to develop funding mechanisms and funding distribution and yet we know that now is the right time to invest in our waters so vital to Vermont's economy and way of life. We appreciate that you have asked for our feedback today and we are happy to work with this committee and the legislature if you have any additional questions or are interested in additional guidance.